(b) and (c) M/s. Cyberspace Ltd. was sanctioned a lease Finance of Rs. 2.80 crore for acquiring computers, servers and other accessories by the Bank of India, Lease Finance Branch, Mumbai on February 27, 2001. On the request of the Lessee Company, the equipment lease finance of Rs. 2.80 crore was disbursed by the branch to the suppliers of the equipment, M/s. Inmac Computers Pvt. Ltd. on March 14, 2001 against their invoces dated March 5, 2001 in the name of 'Bank of India A/C. Cyberspace Ltd., and Bank had obtained necessary stamped receipt. Post-disbursement visit/ inspection carried out by the bank on March 20, 2001 revealed that the equipment leased had not been installed at the premises of the lessee company. On written enquiry with the suppliers, it came to light that M/s. Cyberspace Ltd. had cancelled the order earlier placed with the suppliers and supplier refunded the amount of M/s. Kamal Infosys Ltd. (a sister concern of M/s. Cyberspace Ltd. identified by them) Bank of India has lodged complaint with CBI against the promoters of the Company and suppliers of goods.

(d) Bank have been advised to follow the laid down procedures and precautionary measures to guard against frauds. RBI has also issued a caution advice against M/s. Cyberspace Ltd. and it directors as well as M/s. Inmac Computers Pvt. Ltd. to all commercial banks.

Separate Agency to Investigate Bank Frauds

2985. SHRI KRISHNA KUMAR BIRLA: Will the Minister of FINANCE be pleased to state:

(a) whether RBI has constituted a Committee on legal aspects of bank frauds which has suggested the creation of a separate bureau to investigate serious frauds;

(b) if so, the steps Government have taken propose to take on the further recommendations of the RBI to tackle bank frauds; and

(c) what other steps Government propose to take to tackle bank and finanical frauds in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (c) Reserve Bank of

India (RBI) hasd set up an Expert Committee on Legal Aspects of Bank Frauds in August 2000. The Committee had submitted its report on 31st August 2001. The recommendations of the committee are presently being examined by the Reserve Bank of India after which the same will be forwarded to the Government along with the views of RBI. The System and procedures are reviewed from time to time by Government, RBI, Central Vigilance Commission and Central Bureau of Investigation and deficiencies observed are advised to banks for remedial action.

Broadening of Tax Base

2986. SHRI K. RAHMAN KHAN: Will the Minister of FINANCE be pleased to state:

(a) whether the initiative taken to broaden the tax base has actually increased the revenue collection as compared to the expenditure incurred; and

(b) if so, what are the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) (a) yes, Sir.

(b) Details of increase in revenue attributable to initiatives taken to broaden the tax base as compared to the expenditure incurred are not maintained.

However the increasing trend of revenue collections and the declining trend of cost of collections is apparent from the details given below:

F.Y.	1998-99	1999-2000	2000-01
Direct tax collections (Rs. Crores)	44,769.02	58,346.79	67,253.84
Percentage cost of collection	1.98%	1.49%	1.28%